

2014 Board of Regents TENTATIVE Budget Calendar

January BOR meeting – January 7, 2014

– Presentation of Budget development timetable

March

6-7 – Presentation of preliminary budget proposals to BOR

May

5 – MUS executive planning process (EPP) requests due to OBPP

15 – MUS employee FTE ‘snapshot’ for use in 2017 biennium Executive Budget

22-23 – BOR action / approval of MUS budget request

July

1 – Long-range building proposals due to A&E (Department of Administration)

November

15 – OBPP transmits Exec Budget to LFD

(including all recommendations for LRBP, information technology, and proposed pay plan)

December

15 – OBPP submits any amendments to preliminary Exec Budget to LFD

MUS Budget Development Issues and Timetable

Pay Plan Process – pay and benefit increases for MUS employees are normally included in the Pay Plan bill (HB13) introduced into a legislative session. Labor unions negotiate directly with the executive branch team in an effort to come to an agreement prior to the beginning of a session. MUS employees pay and benefit increases are normally included at the same percentage increase or dollar increase as all other state employees.

The key issue for the MUS in relation to the Pay Plan Bill has been the funding percentage related to the pay and benefit increases. Based on FY2013 enrollment, full funding of the Pay Plan for the MUS would result in State funding approximately 82% of the cost of any pay and benefits increases. The 82% factor is the ratio of resident student FTE (28,784) plus WUE (2,132) student FTE to total student FTE (37,703).

With employee costs accounting for approximately 75% of our general operating budgets, this funding issue is an extremely important issue.

Present Law Budget Process (PL) - <http://leg.mt.gov/bills/mca/17/7/17-7-102.htm> the definition of Present Law base [17-7-102(10)(b)] can be found by clicking on the link above. This process is somewhat mechanical and is largely driven by the Governor's Office of Budget & Program Planning (OBPP). This process has been very detailed and results in a number of Decision Packages (DPs) for consideration by OBPP and the Legislature. We continue to work with our budget analysts at OBPP and Legislative Fiscal Division (LFD) toward simplifying the Present Law process and reducing the number of PL decision packages. We will continue our efforts to focus budget discussions toward the policy decision of the "appropriate funding percentage" for higher education.

New Proposals (NP) or Initiatives - System wide and/or Campus/OCHE specific – discussions and prioritization around this category are always the most challenging. There are always many very good investment proposals brought forward for consideration. You will remember our successes with respect to NP funding in the last legislative session and a significant projected State ending general fund balance might provide some opportunity for targeted one-time-only NP proposals. Securing ongoing base funding through NPs is always a very difficult challenge.

Long Range Building Program (LRBP) – the MUS LRBP is moving forward in what has been the normal biennial process. The Commissioner and two Presidents are scheduled to meet Feb. 19 to finalize a priority list of deferred maintenance and major construction projects to be brought to the BOR for consideration. In the past, the list has been presented as an information item at the March meeting with action taken at the May meeting.